The Applicants hereby request streamlined processing of this application. This application qualifies for streamlined processing pursuant to Section 63.12(c)(1)(ii), as the Applicants have demonstrated that Integra Holdings and its subsidiaries are entitled to a presumption of nondominance pursuant to Section 63.10(a)(3) with respect to the foreign carriers with which the WP Funds are affiliated.

### V. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application.

Respectfully submitted on behalf of:

INTEGRA TELECOM HOLDINGS, INC.

Name: CHRIS AAI Title: VP FINANCE a

Respectfully submitted on behalf of:

INTEGRA TELECOM HOLDINGS, INC. SUBSIDIARIES LISTED ON SCHEDULE I

Name:

ne: CHRIS AMRERA

Title: VP FNANCE & TREASURER

WARBURG PINCUS PRIVATE EQUITY IX, L.P.

Warburg Pincus IX LLC, its General By:

Partner

Warburg Pincus Partners LLC, its Managing Member By:

Warburg Pincus & Co., its Managing By:

Member

# WARBURG PINCUS PRIVATE EQUITY X, L.P.

By: Warburg Pincus X, L.P., as General

Partner

By: Warburg Pincus X LLC, its General

Partner

By: Warburg Pincus Partners LLC, its

Sole Member

By: Warburg Pincus & Co., its Managing

Member

By: Property

Title: Partner

September //, 2007

BANC OF AMERICA CAPITAL INVESTORS V, L.P.

By: 
Name:

itle: Asthonize & Sich

September <u>//</u>, 2007

BOSTON VENTURES LIMITED
PARTNERSHIP
By:
Name: Anthony J. Balland
Title: Managing Director

BANC OF AMERICA CAPITAL INVESTORS, L.P.

By: Age E. Morron, III.
Title: Ashonizad Ingatory

September 17, 2007

September 17, 2007

### CHISHOLM PARTNERS III, L.P.

By: Silverado III, L.P., its General Partner By: Silverado III, Corp., its General Partner

By: Name: Robert M Van Degna
Title: Chairman & CEO

September 1 2007

## FLEET EQUITY PARTNERS VI, L.P.

By: Silverado IV Corp, a General Partner

By: Name: Robert M. Van Degna Title: Chairman & CEO

September 1, 2007

# FLEET EQUITY PARTNERS VII, L.P.

By: Silverado V Corp, a General Partner

FLEET GROWTH RESOURCES III, INC.

September ∏, 2007

FLEET VENTURE RESOURCES, INC.

By: Name: Robert M. Van Degna
Title: Attorney-in-Fact, Granted 8/4/2000

### KENNEDY PLAZA PARTNERS

By: Name: Robert M Van Degna
Title: Managing General Partner

September [7], 2007

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#### **EXHIBIT A**

# DOMESTIC SUPPLEMENT TO JOINT INTERNATIONAL AND DOMESTIC APPLICATION FOR CONSENT TO TRANSFER CONTROL

I. Pursuant to 47 C.F.R. § 63.04(b), the following information required by 47 C.F.R. 63.04(a)(6)-(a)(12) is supplied in connection with the attached Joint International and Domestic Application for Consent to Transfer Control.

### (6) Description of the transaction:

The instant transaction for which Commission approval is sought involves the effective transfer, pursuant to the Agreement and Plan and Merger, dated as of August 13, 2007 (the "Merger Agreement"), by and among Integra Telecom, Inc. ("Integra Telecom"), Integra Recap Co., an Oregon corporation ("Recap Co."), and Warburg Pincus Private Equity IX, L.P. ("WP IX") and the Stock Purchase Agreement, dated as of August 13, 2007 (the "SPA"), between Integra Telecom and Banc of America Capital Investors V, L.P. ("BA V"), of certain shareholder interests and corresponding changes in the Board of Directors of Integra Telecom, the parent company of the carriers listed on Schedule I. 16

Certain current shareholders will either relinquish all of their equity ownership in Integra Telecom or reduce their existing equity ownership interests, with such interests effectively passing to the WP Fund and, assuming consummation of the transactions contemplated under the SPA, BA V. While the exact equity percentage of the new investors cannot be determined until such time as the existing shareholders have

At closing of the transaction described herein, either WP IX or WP X will make an investment in Integra Holdings. The Applicants will inform the Commission in the notice of consummation which WP Fund will hold the investment in Integra Holdings after closing. Complete ownership information for WP IX and WP X is provided in the International Section 214 application. References herein to the "WP Fund" should be understood to apply to either WP IX or WP X, whichever fund ultimately holds the investment in Integra Holdings.

responded to the parent company's twenty business day notice to determine each shareholder's continued interest in the parent, it is anticipated that the WP Fund will hold approximately 35-70% of the equity in Integra Telecom and BA V will hold approximately 8% of the equity in Integra Telecom. In addition, the WP Fund will have the authority to appoint up to three or, under certain circumstances, four seats on a nine member Board of Directors of Integra Telecom, the parent company of the carriers set forth on Schedule I. Thus, out of an abundance of caution, approval of a transfer of control of the parent company of the authorized carriers is sought herein.

Specifically, on August 13, 2007, Integra Telecom, the ultimate parent company of certificated carriers: Integra Telecom Holdings, Inc. ("Integra Holdings"), Eschelon Telecom, Inc. ("Eschelon"), Electric Lightwave, LLC ("Electric Lightwave"), and the respective subsidiaries listed in Schedule I hereto, entered into the Merger Agreement providing for the merger of Integra Telecom and Recap Co. Pursuant to the Merger Agreement, Recap Co. will be merged into Integra Telecom, with Integra Telecom to be the surviving corporation of the merger (the "Transaction"). Integra Telecom's Board of Directors believes it to be in the best interests of Integra Telecom to recapitalize its capital stock through the Transaction. The WP Fund, an affiliate of Warburg Pincus & Co. ("WP"), a global private equity firm, will invest at least \$245 million to obtain an equity stake in Integra Telecom in the Transaction. WP currently has more than \$20 billion of assets under management and has substantial experience in the information and communications technology sectors.

Certain current stockholders in Integra Telecom will relinquish or reduce their ownership interests in Integra Telecom by selling all or some of their equity interests to Integra Telecom, effectively replicating a sale of such equity interests to the WP Fund. It

is anticipated that upon completion of the Transaction, the WP Fund will hold approximately 35-70% of Integra Telecom, and have the authority to appoint up to three seats (or, under certain circumstances four seats) on Integra Telecom's nine member Board of Directors. It is expected that two of the other three existing substantial shareholders (or affiliates thereof) will remain as shareholders of Integra Telecom. Boston Ventures Limited Partnership V ("Boston Ventures"), with the right to appoint two members to the Board of Directors, and BA V, an affiliate of the current shareholder, Banc of America Capital Investors, L.P., with the right to appoint one director, are expected to be the other significant shareholders of Integra Telecom. Two board members will be designated by the board, and the Chief Executive Officer of Integra Telecom, Mr. Dudley R. Slater, will sit on the board. The closing of the Transaction is contingent upon, among other things, receipt of necessary regulatory approvals from the Commission and other governmental and shareholder actions.

Integra Telecom currently is controlled by its Board of Directors, and after the proposed Transaction is consummated, the board will continue to be in control. No one shareholder will be in control of Integra Telecom. As a result, Integra Telecom hereby seeks approval of the Commission to effect these shareholder changes and corresponding adjustments to the Board of Directors. Accordingly, the Transferees are identified herein as the shareholders that will designate six of the nine board members -- the WP Fund, Boston Ventures, and BA V.

Applicants emphasize that the proposed Transaction should be transparent to customers of the authorized carrier(s). Because the Transaction simply reflects the

If BA V's equity interest is less than five percent, then it will not have the right to designate a member of the board, and the WP Fund will have the right to designate up to four members of the board.

effective transfer of shares from existing shareholders to a new investor and an affiliate of an existing investor, and the non-majority changes in the shareholders' rights to designate board members, the transfer of control will not result in a change of carrier for any customers. The carriers covered by this application will continue to provide the identical end user telecommunications and other services to the affected customers and will continue to provide these services at the rates and pursuant to the terms and conditions of service these customers currently receive. The Transaction is not expected to result in any discontinuance of service for customers. In sum, consummation of the Transaction will result in no changes in rates or services provided to customers. Any future changes in the rates, terms and conditions of service will be made consistent with applicable law.

# (7) A description of the geographic areas in which the transferor and transferees offer domestic telecommunications services, and what services are provided in each area:

The instant Transaction involves only the transfer of shares in the ultimate parent company of Integra Holdings and its subsidiaries, Integra Telecom, and will not result in any changes in service. The Transferees are not domestic telecommunications providers or otherwise affiliated with any domestic telecommunications providers, other than the providers covered by this Application.

Integra Holdings and its subsidiaries provide local telephone service, long distance and international calling, and high-speed Internet access to small and mid-sized businesses in Arizona, California, Minnesota, Montana, Nevada, North Dakota, Oregon, Utah, Washington and Wisconsin (resale only).

Electric Lightwave offers business customers a suite of integrated telecommunications products and services in metropolitan areas in Arizona, Oregon,

Washington, Nevada, California, Utah and Idaho. Electric Lightwave offers long distance, data, Internet access and broadband transport services on a nationwide basis.

Eschelon provides local and/or long-distance voice, data, internet services and business telephone systems in Minnesota, California, Colorado, Arizona, Montana, Utah, Nevada, Washington and Oregon, Idaho and New York.

(8) A statement as to how the Application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment:

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(ii) of the Commission's Rules, as the Transferees are not domestic telecommunications providers or otherwise affiliated with any domestic telecommunications providers, other than the prospective affiliation with the providers covered by this Application. The proposed transaction involves the transfer of shares from existing shareholders to new investors and changes with regard to the designation rights of the Board of Directors, and the transfer of control will not result in any change in service.

In addition, Integra Holdings and its subsidiaries qualify for streamlined treatment under Sections 63.03(b)(2)(i)-(ii) of the Commission's Rules. Integra Holdings and its subsidiaries, combined, have less than 10 percent market share in the interstate, interexchange marketplace and provide competitive telephone exchange services or exchange access service exclusively in geographic areas served by unaffiliated dominant local carriers, with the following exception: Integra Holdings and its subsidiaries are nondominant in all markets except a few exchanges in Minnesota where Integra Holdings' ILEC affiliate, Scott-Rice Telephone Co. ("SRTC"), provides service. Neither Integra Holdings nor any of its other subsidiaries provide service in SRTC's territory.

Thus, Integra Holdings and its subsidiaries are non-dominant in all markets except those markets in Minnesota served by SRTC, and in SRTC's territory, Integra Holdings and its subsidiaries constitute a dominant carrier and non-dominant carriers that provide service exclusively outside the geographic area where the dominant carrier is dominant.<sup>18</sup>

(9) Identification of all other Commission applications related to the same transaction:

The attached Application for consent to the transfer of control related to the provision of international telecommunications services is being submitted herewith.

(10) A statement of whether the Applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

Applicants do not seek special consideration in this Application.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

Applicants do not seek any waivers in conjunction with the transaction discussed in this Application.

<sup>&</sup>lt;sup>18</sup> See 47 C.F.R. § 63,03(b)(2)(i)-(ii).

(12) A statement showing how grant of the Application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

Applicants respectfully submit that the Transaction described herein will serve the public interest. The proposed Transaction will provide the parent company, Integra Telecom, with a substantial equity investment by the WP Fund. WP has a long history as a leading investor in the information and communication technology sectors. Its financial strength and expertise will further advance the business plan of Integra Telecom and its subsidiaries. It is anticipated that Integra Telecom and its subsidiaries will increase their advanced network capabilities and expand their offerings and provide more advanced telecommunications services to a broader customer base as result of the financial strength and expertise of WP and the other two major shareholders -- BA V and Boston Ventures. Moreover, Applicants expect that Integra Telecom's certificated carrier subsidiaries will continue to offer innovative products and will further strengthen their competitive positions to the benefit of consumers and the telecommunications marketplace as a result of the proposed Transaction.

Further, the Transaction will be conducted in a manner that will be virtually transparent to customers of the certificated carriers. The transfer of control of Integra Telecom and its operating subsidiaries will not result in a change of carrier for end user customers or in an assignment of authorizations. Following consummation of the proposed Transaction, the authorized carriers will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms or conditions.

Given the increasingly competitive nature of the domestic, interstate and international telecommunications markets, Applicants are seeking to complete the

proposed Transaction as soon as possible in order to ensure that customers and Applicants can rapidly obtain the benefits of the proposed Transaction. Accordingly, Applicants respectfully request that the Commission process, consider and approve this Application as expeditiously as possible.

For each of the foregoing reasons, grant of the proposed Transaction is in the public interest.

### SCHEDULE I: INTEGRA TELECOM, INC. SUBSIDIARIES

### Integra Telecom Holdings, Inc. (FRN: 0004257010)

FCC Section 214 International Authorization granted to Integra Telecom Holdings, Inc. in File No. ITC-214-19970820-00500.

The subsidiaries of Integra Telecom Holdings, Inc. identified below provide international wireline telecommunications services pursuant to this authorization:

Integra Telecom of Minnesota, Inc.

Scott-Rice Telephone Co.

Integra Telecom of Oregon, Inc.

Integra Telecom of Iowa, Inc.

Integra Telecom of Colorado, Inc.

Integra Telecom of Washington, Inc.

Integra Telecom of Arizona, Inc.

Integra Telecom of New Mexico, Inc.

Integra Telecom of North Dakota, Inc.

Integra Telecom of South Dakota, Inc.

Integra Telecom of Utah, Inc.

Integra Telecom of Wisconsin, Inc.

Integra Telecom of Idaho, Inc.

Integra Telecom of Nebraska, Inc.

Integra Telecom of California, Inc.

Integra Telecom of Montana, Inc.

Integra Telecom of Nevada, Inc.

### Electric Lightwave, LLC (FRN: 0015577745)

FCC Section 214 International Authorizations granted to Electric Lightwave, LLC in File Nos. ITC-214-19940415-00137 and ITC-214-19980619-00425. Transfer of control to Integra Telecom Holdings, Inc. granted in ITC-T/C-20060306-00135.

### Eschelon Telecom, Inc. (FRN: 0010289114)

FCC Section 214 International Authorization granted to Eschelon Telecom, Inc. in File No. ITC-214-19990729-00490. Transfer of control to Integra Telecom Holdings, Inc. granted in ITC-T/C-20070405-00134.

The subsidiaries of Eschelon Telecom, Inc. identified below provide international wireline telecommunications services pursuant to this authorization:

Advanced TelCom, Inc.

Shared Communications Services, Inc.

Oregon Telecom, Inc.

Eschelon Telecom of Minnesota, Inc.

Eschelon Telecom of Washington, Inc.

Eschelon Telecom of Colorado, Inc.

Eschelon Telecom of Nevada, Inc.

Eschelon Telecom of Arizona, Inc.

Eschelon Telecom of Utah, Inc.

Eschelon Telecom of Oregon, Inc.

United Communications, Inc. d/b/a UNICOM

Mountain Telecommunications, Inc.

Mountain Telecommunications of Arizona, Inc.

OneEighty Communications, Inc.

Northwest Internet, LLC

Northwest Telecom, LLC

In addition, pursuant to FCC Rules, carriers hold blanket authority under Section 214 of the Communications Act to provide domestic interstate services and to construct, acquire, or operate any domestic transmission line.